

5. Amendments to the Specification

Please replace paragraph [29] with the following amended paragraph:

[29] Signal processor 20 responds to the digital media content of source 22 and a digital signal from a header source 24²³ indicative of an identification number (CDID) for CD 14 to derive watermarks that prevent a song or track that is recorded on CD 14 from being illicitly read from CD 14 and stored or recorded elsewhere. Processor 20 derives for each section of the track or record that is to be watermarked a multi-bit digital signal. The digital signal results from hashing a concatenated combination of binary bits representing the identification number (CDID), the number (i) of the particular section and the total number (N) of sections in the song or the record, i.e., CD 14.

Please replace paragraph [34] with the following amended paragraph:

[34] Figure 2 is a flow diagram of the applicable operations signal processor 20 performs to apply watermarked sections of the digital media content to CD 14 tracks. Initially, during operation 30, signal processor 20 reads and stores the header that ~~signal~~-source 24 derives. Consequently, the values of CDID and N are stored in appropriate registers in processor 20, as respectively indicated by operations 32 and 34. Then signal processor 20 sets an index register to $i = 1$, as indicated by operation 36. The initial conditions for processor 20 determining the watermarks of the digital media content to be applied to CD 14 tracks are thereby established.